

## FINANCE ACADEMY

5258

(FIN ACAD)

*CIP Code: 52.0304 Accounting and Finance; 52.0804 Financial Planning and Services; 52.0807 Investment and Securities; 52.1701 Insurance; 52.1908 Business and Personal/Financial Services Marketing Operations (Based on Student's Career Pathway)*

*Finance Academy* is a specialized sequence of business courses, which provide instruction in finance and business fundamentals as they relate to financial institutions, financial planning, business and personal financial services, investment and securities, risk management, and corporate finance. Students are provided opportunities to develop attitudes and apply skills and knowledge in the area of finance. Individual experiences will be based on the student's career and educational goals. Instructional strategies should include computer/technology applications, real and/or simulated occupational experiences, and projects. Business Professionals of America (BPA) or DECA, An Association of Marketing Students, are the co-curricular student organizations associated with this course and integrates their programs and services into the business classroom.

- Recommended Grade Level: 10-12
- Recommended Prerequisites: Computer Applications and Algebra I
- Credits: A two- to eight-credit course over two to eight semesters
- A Core 40, Core 40 with Academic Honors, and Core 40 with Technical Honors diploma elective and directed elective course
- A Career Academic Sequence, Career-Technical program, or Flex Credit course
- Course content standards and performance expectations and Indiana Academic Standards integrated at:  
<http://www.doe.in.gov/octe/bme/curriculum/contentstandardsvoc.htm>
- Teacher Requirements: A vocationally licensed (CTE) business or marketing teacher must teach this course: <http://doe.in.gov/dps/licensing/assignmentcode>
- Funding: State Additional Pupil Count (APC) vocational funding available and must be taught by a vocationally licensed (CTE) business or marketing teacher,  
<http://doe.in.gov/octe/>
- Career Clusters: A component in several career pathways of the Business, Management, & Administration and Finance Indiana career clusters
- Career pathway information: <http://www.doe.in.gov/careerpathways>

### Course Content Standards and Performance Expectations

#### FA 1 Economics

**FA 1.1 Content Standard:** Students analyze the economic principles and concepts of the private enterprise system of the United States.

#### **Performance Expectations**

- FA 1.1.1** Define resources and differentiate between resources, i.e., natural, human, capital, and entrepreneurial resources
- FA 1.1.2** Analyze the elements of capitalism
- FA 1.1.3** Analyze key market components, i.e., supply and demand, surplus, shortage, equilibrium, wages, prices, and scarcity
- FA 1.1.4** Explain the concepts of trade-offs (money exchanges) and opportunity cost
- FA 1.1.5** Discuss economic factors that affect business risk and business profit
- FA 1.1.6** Explain measures used to analyze economic conditions
- FA 1.1.7** Describe the U.S. role within the global economy

**FA 1.1.8** Analyze the effect the global economy has on the U.S. marketplace

**FA 1.2 Content Standard:** Students analyze the economic principles and concepts of a global economy.

***Performance Expectations***

**FA 1.2.1** Compare and contrast economic systems

**FA 1.2.2** Describe fundamental facets of the global economy such as trade, trade agreements, imports and exports, specialization, comparative advantage and absolute advantage

**FA 1.2.3** Describe the impact of global trade on individual business decision-making

**FA 1.2.4** Define and describe functions of money in an economic system

**FA 1.2.5** Analyze how countries influence foreign exchange values

**FA 2 Fundamentals of Finance**

**FA 2.1 Content Standard:** Students analyze the components of finance.

***Performance Expectations***

**FA 2.1.1** Illustrate the significance of finance for individuals, businesses, and governments

**FA 2.1.2** Identify types of financial markets

**FA 2.1.3** Discuss historical and current financial trends

**FA 2.2 Content Standard:** Students discuss corporate governance issues in finance.

***Performance Expectations***

**FA 2.2.1** Define and contrast policy and administrative decisions by management and administrative staff

**FA 2.2.2** Critique the possible conflicts of the goals of financial managers and investors

**FA 2.2.3** Analyze the relationship between stockholders and corporate management

**FA 2.2.4** Discuss the role of governing agencies such as Organization for Economic Co-Operation Development (OECD) and SEC, in corporate governance

**FA 2.2.5** Identify the standard components of an annual report

**FA 2.2.6** Evaluate the components of a well-governed company (e.g., Board of Directors, reporting, internal and external audits)

**FA 3 Banking and Other Financial Institutions**

**FA 3.1 Content Standard:** Students evaluate the history and future of the banking industry.

***Performance Expectations***

**FA 3.1.1** Trace the historical development of banking industry in the United States

**FA 3.1.2** Describe the role of the Federal Reserve System, Federal Depositary Insurance Corporation (FDIC), and Office of Controller of Currency (OCC) within the organization of the banking industry

**FA 3.1.3** Analyze banking legislation that affects the operation of business firms

**FA 3.1.4** Evaluate the impact of technology on the banking industry

**FA 3.1.5** Analyze changes in the banking industry

**FA 3.2 Content Standard:** Students describe the role of banking in the local, national and global economy

**Performance Expectations**

- FA 3.2.1** Distinguish among financial institutions, i.e., commercial bank, credit union, and savings and loan
- FA 3.2.2** Describe common services offered by banks and other financial institutions for consumers and businesses
- FA 3.2.3** Explain the supply and circulation of money in the United States
- FA 3.2.4** Analyze the competitive environment of the banking industry
- FA 3.2.5** Evaluate how financial institutions affect personal and corporate financial planning
- FA 3.2.6** Examine banking costs associated with personal and corporate accounts
- FA 3.2.7** Describe controls and security measures that protect banks and other financial institutions from losses due to fraud, crime prevention, and adverse economic conditions

**FA 3.3 Content Standard:** Students investigate international banking.

**Performance Expectations**

- FA 3.3.1** Explain how international monetary exchanges work
- FA 3.3.2** Assess the value of a country's currency on imports and exports and international travel
- FA 3.3.3** Explain the role of international banks in the global economy
- FA 3.3.4** Identify agencies that assist companies in reducing global financial risk

**FA 4 Securities**

**FA 4.1 Content Standard:** Students evaluate concepts of the securities industry.

**Performance Expectations**

- FA 4.1.1** Describe the history and purpose of securities and securities markets
- FA 4.1.2** Differentiate among stocks, bonds, and other securities
- FA 4.1.3** Compare and contrast equity and debt securities
- FA 4.1.4** Explain the role of initial public offerings (IPOs) in raising capital for corporations
- FA 4.1.5** Evaluate the use and impact of technology in the brokerage industry
- FA 4.1.6** Describe the role of the Securities and Exchange Commission and its impact on business financing
- FA 4.1.7** Describe the role of EDGAR for researching corporate securities

**FA 4.2 Content Standard:** Students outline the impact of securities markets on individuals, business and the economy.

**Performance Expectations**

- FA 4.2.1** Explain the role of stock exchanges and brokers in securities transactions
- FA 4.2.2** Apply industry terminology for security trades
- FA 4.2.3** Determine the risks and rewards of trading on securities exchanges
- FA 4.2.4** Analyze the impact of economic and historical trends in securities investments
- FA 4.2.5** Compare and contrast various securities markets
- FA 4.2.6** Analyze mutual funds, stocks and bonds as an investment opportunity
- FA 4.2.7** Explain the process of trading/purchasing stocks, bonds, and mutual funds
- FA 4.2.8** Appraise the investment needs of clients, both consumers and business firms

**FA 4.3 Content Standard:** Students assess sources of securities information

***Performance Expectations***

**FA 4.3.1** Critique informational sources for buying/selling decisions

**FA 4.3.2** Identify the components and purposes of a bond table, stock table and mutual fund

**FA 4.3.3** Identify the components and purposes of quote found on a bond table, stock table and mutual fund

**FA 4.3.4** Discuss ethical standards for financial management

**FA 4.3.5** Evaluate a business plan from an investor's standpoint as an investment option

**FA 4.4 Content Standard:** Students analyze the concepts of financial management planning.

***Performance Expectations***

**FA 4.4.1** Compute the effect of the time value of money in managing finances for a business

**FA 4.4.2** Compare and contrast the advantages and disadvantages of a cash dividend and a stock split

**FA 4.4.3** Analyze the motives for a company to repurchase stock

**FA 4.4.4** Identify ways to diversify investments of a business firm

**FA 4.4.5** Critique factors to consider when deciding on the form of dividend distribution

**FA 4.4.6** Evaluate a company portfolio for diversification

**FA 4.4.7** Analyze benefits and costs of investments

**FA 4.4.8** Assess investment and savings options

**FA 4.4.9** Investigate alternative retirement plans

**FA 5 Risk Management**

**FA 5.1 Content Standard:** Students evaluate the concepts of risk management.

***Performance Expectations***

**FA 5.1.1** Illustrate the principle of indemnity

**FA 5.1.2** Identify prerequisites of insurable interest and give examples of insurable interests of individuals and business firms

**FA 5.1.3** Describe the need for subrogation

**FA 5.1.4** Describe the importance of utmost good faith

**FA 5.1.5** Address issues of risk such as risk management, risk shifting, risk avoidance, and risk assumption

**FA 5.2 Content Standard:** Students analyze the elements of the insurance industry.

***Performance Expectations***

**FA 5.2.1** Identify the requirements for a valid insurance contract

**FA 5.2.2** Differentiate common types of deductibles for insurance contracts

**FA 5.2.3** Describe how coinsurance works

**FA 5.2.4** Discuss conditions for compensating for losses from multiple perils

**FA 5.2.5** Analyze the impact of current economic conditions on insurance premiums

**FA 5.2.6** Explain the impact of actuarial science in the insurance industry

**FA 5.2.7** Describe mortality and morbidity tables used in the insurance industry

**FA 5.3 Content Standard:** Students examine the process of underwriting an insurance policy.

***Performance Expectations***

- FA 5.3.1** Evaluate underwriting techniques
- FA 5.3.2** Establish the rate classification of a policy based on underwriting criteria
- FA 5.3.3** Evaluate premium rates based on the probability of loss
- FA 5.3.4** Determine premium rates for different clients including those with high risk
- FA 5.3.5** Appraise company's records to calculate the amount and type of insurance in force on a risk group
- FA 5.3.6** Evaluate and suggest adjustments to existing policy limits
- FA 5.3.7** Examine credit-based insurance scores and how they affect premiums
- FA 5.3.8** Evaluate the coverage and benefits of risk pool insurance

**FA 5.4 Content Standard:** Students assess liability insurance for individuals and business.

***Performance Expectations***

- FA 5.4.1** Determine the elements of a negligent act
- FA 5.4.2** Explain liability loss exposure and purpose of liability insurance
- FA 5.4.3** Evaluate the effect of a litigious society on liability insurance
- FA 5.4.4** Discuss commonly used defenses for negligent acts
- FA 5.4.5** Explain the key provisions of an umbrella policy
- FA 5.4.6** Describe the purposes of workers' compensation and employers' liability policies
- FA 5.4.7** Define product liability insurance and describe situations in which such insurance is needed or desirable
- FA 5.4.8** Discuss the need for and possible impact of malpractice insurance
- FA 5.4.9** Discuss provisions for intangible assets, i.e., identity theft, trademark, and copy right
- FA 5.4.10** Discuss a business firm need for commercial general liability (CGL) insurance

**FA 5.5 Content Standard:** Students evaluate automobile insurance.

***Performance Expectations***

- FA 5.5.1** Describe different types of coverage in an automobile policy (e.g., liability, medical, property damage, uninsured, underinsured)
- FA 5.5.2** Determine exclusions included in typical automobile insurance contracts
- FA 5.5.3** Identify the insured's responsibility after an accident
- FA 5.5.4** Evaluate the factors that impact automobile insurance rates

**FA 5.6 Content Standard:** Students evaluate personal and commercial property insurance.

***Performance Expectations***

- FA 5.6.1** Describe common coverage and exclusions for most property policies
- FA 5.6.2** Evaluate the use of and give examples of riders and endorsements to cover specific needs
- FA 5.6.3** Compare and contrast replacement cost and market value
- FA 5.6.4** Explain factors that impact property insurance rates
- FA 5.6.5** Explain the provisions of policies such as flood or earthquake insurance

**FA 5.7 Content Standard:** Students analyze components of health and long-term care insurance.

**Performance Expectations**

- FA 5.7.1** Compare and contrast types of health insurance coverage such as HMO, PPO, POS
- FA 5.7.2** Evaluate the basic characteristics of health insurance policies (e.g., coverage, exclusions, limits, deductibles, co-pays and preexisting conditions)
- FA 5.7.3** List possible factors that impact health insurance rates
- FA 5.7.4** Categorize health care problems for the United States and other countries
- FA 5.7.5** Assess the need for long-term care insurance
- FA 5.7.6** List services covered by long-term care insurance
- FA 5.7.7** Evaluate the quality of long-term care insurance policies (e.g., sufficient daily benefits, inflation protection, stable premiums)

**FA 5.8 Content Standard:** Students analyze government supported health insurance programs.

**Performance Expectations**

- FA 5.8.1** Compare and contrast eligibility for Medicare, Medicaid, and other state health insurance programs
- FA 5.8.2** Differentiate among coverage for various parts of Medicare—Part A, Part B, Part C and Part D
- FA 5.8.3** Discuss the purpose of Medigap supplemental insurance
- FA 5.8.4** Evaluate the implications of government insurance programs for a private enterprise economy

**FA 5.9 Content Standard:** Students assess government supported employment insurance programs.

**Performance Expectations**

- FA 5.9.1** Discuss unemployment compensation and its requirements
- FA 5.9.2** Describe the impact of claims on an employer's unemployment insurance
- FA 5.9.3** Discuss the purpose of worker's compensation
- FA 5.9.4** Identify occupations that are excluded from worker's compensation insurance
- FA 5.9.5** Discuss the eligibility requirements for receiving worker's compensation
- FA 5.9.6** Differentiate between coverage under worker's compensation and employer's liability insurance

**FA 5.10 Content Standard:** Students differentiate among components of life insurance.

**Performance Expectations**

- FA 5.10.1** Compare and contrast whole, term, universal and variable life insurance
- FA 5.10.2** Indicate considerations for naming beneficiaries
- FA 5.10.3** Describe liquidity and survivor income needs when selecting life insurance and the impact of premature death
- FA 5.10.4** Explain coverage under mortgage protection life insurance
- FA 5.10.5** Analyze unique provisions and riders for life insurance, i.e, contestable clause, suicide clause, and grace period provision
- FA 5.10.6** Evaluate different life insurance settlement options, including viatical settlements
- FA 5.10.7** Discuss the role of life insurance and investment in estate planning

## **FA 6 Financial Planning**

**FA 6.1 Content Standard:** Students analyze client financial planning basics.

### ***Performance Expectations***

- FA 6.1.1** Define for a client reasons to save and places to accumulate savings
- FA 6.1.2** Examine short-term and long-term financial goals identified by financial planners
- FA 6.1.3** Identify steps to be used by financial planners for developing a personal budget
- FA 6.1.4** Explain qualifications needed by an individual or business firm to obtain credit
- FA 6.1.5** Compare and contrast terms and conditions of various sources of credit
- FA 6.1.6** Assess and recommend credit options available for financial plans
- FA 6.1.7** Analyze the impact of economic conditions on financial plans

**FA 6.2 Content Standard:** Students apply the concepts and strategies which financial planners use.

### ***Performance Expectations***

- FA 6.2.1** Explain the components of a financial plan
- FA 6.2.2** Develop, analyze and update a financial plan for an individual and/or company
- FA 6.2.3** Assess strategies for effective debt management by individuals and corporations through either short-term or long-term financing options
- FA 6.2.4** Describe the need for a sound credit rating for individuals and corporations
- FA 6.2.5** Evaluate the implications of bankruptcy for consumers and for businesses
- FA 6.2.6** Identify tax planning strategies that may be recommended by financial planners

**FA 6.3 Content Standard:** Students analyze elements of investing.

### ***Performance Expectations***

- FA 6.3.1** Compare and contrast key types of investments for individuals and business firms
- FA 6.3.2** Analyze the relationship between risk and return
- FA 6.3.3** Differentiate between debt and equity investments
- FA 6.3.4** Compare and contrast the costs and conditions of secured and unsecured loans
- FA 6.3.5** Calculate payment schedules using spreadsheets, calculators, and online tools
- FA 6.3.6** Predict investment returns using multiple rates

**FA 6.4 Content Standard:** Students investigate tools for long-term financial planning.

### ***Performance Expectations***

- FA 6.4.1** Distinguish among trust services provided for individuals and corporations
- FA 6.4.2** Compare and contrast investment options for a monetary inheritance
- FA 6.4.3** Evaluate types and purposes of estate planning tools
- FA 6.4.4** Define and analyze tax planning strategies for long-term financial assets
- FA 6.4.5** Describe the impact of gift tax on a person's income

## **FA 7 Accounting**

The following standards are the pilot standards for the AP Accounting course. You must complete the [Accounting I](#) standards as a part of this curriculum. You may then choose to complete either the pilot standards or the [Accounting II](#) standards.

**FA 7.1 Content Standard:** Students will develop an understanding and working knowledge of financial statements. **AP M1.1**

**Performance Expectations**

- FA 7.1.1** Explain how and why the conceptual framework of accounting and generally accepted accounting principles provide guidance and structure for preparing financial statements **AP M1.1.1**
- FA 7.1.2** Describe the information provided in each financial statement and how the statements articulate with each other **AP M1.1.2**
- FA 7.1.3** Explain the role of management and the auditor in preparing and issuing an annual report **AP M1.1.3**
- FA 7.1.4** Describe the relationships between assets, liabilities and equity on the balance sheet **AP M1.1.4**
- FA 7.1.5** Identify and explain classifications of accounts within assets, liabilities, and equity **AP M1.1.5**
- FA 7.1.6** Calculate current ratio and debt-equity ratio **AP M1.1.6**
- FA 7.1.7** Identify the classifications in an income statement and explain their relationship to each other (revenue, expense, gains, losses) **AP M1.1.7**
- FA 7.1.8** Identify the different formats of an income statement **AP 1.1.8**
- FA 7.1.9** Calculate return on sales (net profit margin), earnings per share (EPS) and DuPont ROI (ROA) **AP M1.1.9**
- FA 7.1.10** Identify and explain the three phases of the management cycle **AP M1.1.10**
- FA 7.1.11** Identify and explain the four business processes **AP M1.1.11**
- FA 7.1.12** Explain how internal control procedures are used to safeguard assets **AP M1.1.12**
- FA 7.1.13** Prepare a bank reconciliation **AP M1.1.13**

**FA 7.2 Content Standard:** Students use planning and control principles to evaluate the operating results of a company and make informed business decisions. **AP M2.1**

**Performance Expectations**

- FA 7.2.1** Identify and explain variable costs, fixed costs, and mixed costs **AP M2.1.1**
- FA 7.2.2** Use high-low analysis to determine variable costs, fixed costs, and mixed costs **AP M2.1.2**
- FA 7.2.3** Calculate break-even point and perform cost-volume-profit (CVP) analysis **AP M2.1.3**
- FA 7.2.4** Apply sensitivity analysis to CVP analysis **AP M2.1.4**
- FA 7.2.5** Determine selling price using sensitivity analysis and CVP analysis **AP M2.1.5**
- FA 7.2.6** Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead **AP M2.1.6**
- FA 7.2.7** Analyze a make-or-buy decision and/or accept-reject decision **AP M2.1.7**
- FA 7.2.8** Prepare a contribution margin income statement **AP M2.1.8**
- FA 7.2.9** Calculate the operating cycle (inventory turnover in days plus accounts receivable turnover in days) and accounts payable turnover in days **AP M2.1.9**
- FA 7.2.10** Calculate the quick ratio **AP M2.1.10**

**FA 7.3 Content Standard:** Students will complete the steps in the accounting cycle in order to prepare the financial statements. **AP M3.1**

**Performance Expectations**

- FA 7.3.1** Describe the purpose of the accounting system **AP M3.1.1**
- FA 7.3.2** Describe the purpose of journals and ledgers and their relationship **AP M3.1.2**
- FA 7.3.3** Analyze and describe how business transactions impact the accounting equation **AP M3.1.3**
- FA 7.3.4** Apply the double-entry system of accounting to record business transactions and prepare a trial balance **AP M3.1.4**



- FA 7.3.5 Explain the need for adjusting entries and record adjusting entries **AP M3.1.5**
- FA 7.3.6 Explain the purposes of the closing process and record closing entries **AP M3.1.6**
- FA 7.3.7 Prepare the financial statements for the different types of business operations and ownership structures **AP M3.1.7**
- FA 7.3.8 Describe the relationship between the closing process, the financial statements and the post-closing trial balance **AP M3.1.8**
- FA 7.3.9 Complete the steps in the accounting cycle and prepare financial statements **AP M3.1.9**

**FA 7.4 Content Standard:** Students will apply generally accepted accounting principles to the purchasing (inventory) process for merchandising companies. **AP M3.2**

***Performance Expectations***

- FA 7.4.1 Describe the differences between the periodic and perpetual inventory systems **AP M3.2.1**
- FA 7.4.2 Record business transactions using the periodic inventory system and the perpetual inventory system **AP M3.2.2**
- FA 7.4.3 Describe the difference between the gross price method and the net price method **AP M3.2.3**
- FA 7.4.4 Record business transactions using the gross price method and the net price method **AP M3.2.4**
- FA 7.4.5 Determine cash paid for inventory and operating expenses **AP M3.2.5**

**FA 7.5 Content Standard:** Students will apply individual income tax procedures and requirements to comply with tax laws. **AP M3.3**

***Performance Expectations***

- FA 7.5.1 Calculate payroll taxes **AP M3.3.1**
- FA 7.5.2 Describe the composition of taxable income and calculate income tax **AP M3.3.2**
- FA 7.5.3 Complete the applicable individual income tax forms **AP M3.3.3**
- FA 7.5.4 Identify, discuss and apply strategies for minimizing taxable income **AP M3.3.4**

**FA 7.6 Content Standard:** Students will apply generally accepted accounting principles to the sales and collection process. **AP M4.1**

***Performance Expectations***

- FA 7.6.1 Describe the criteria used to determine revenue recognition **AP M4.1.1**
- FA 7.6.2 Record revenue-related transactions **AP M4.1.2**
- FA 7.6.3 Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement **AP M4.1.3**
- FA 7.6.4 Record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries **AP M4.1.4**
- FA 7.6.5 Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement **AP M4.1.5**

**FA 7.7 Content Standard:** Students will apply generally accepted accounting principles to the conversion process for manufacturing companies.

***Performance Expectations***

- FA 7.7.1 Calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods **AP M4.2.1**

- FA 7.7.2** Explain how inventory for a manufacturing business differs from inventory for a merchandising business **AP M4.2.2**
- FA 7.7.3** Record direct materials and direct labor transactions **AP M4.2.3**
- FA 7.7.4** Prepare direct materials and direct labor price and use variances **AP M4.2.4**

**FA 7.8 Content Standard:** Students will apply time value of money concepts to make capital investments. **AP M5.1**

***Performance Expectations***

- FA 7.8.1** Use time value of money concepts to solve present value and future value problems **AP M5.1.1**
- FA 7.8.2** Use net present value concepts to make investment decisions **AP M5.1.2**

**FA 7.9 Content Standard:** Students will apply generally accepted accounting principles to fixed assets. **AP M6.1**

***Performance Expectations***

- FA 7.9.1** Explain the purpose and methods of cost allocation **AP M6.1.1**
- FA 7.9.2** Calculate and record depreciation, depletion and amortization and explain the impact on the financial statements **AP M6.1.2**
- FA 7.9.3** Record the sale and disposal of fixed assets and the impact on the financial statements **AP M6.1.3**

**FA 7.10 Content Standard:** Students will apply generally accepted accounting principles to long-term liabilities and equity transactions. **AP M7.1**

***Performance Expectations***

- FA 7.10.1** Compare and contrast debt and equity financing; review debt-to-equity ratio **AP M7.1.1**
- FA 7.10.2** Calculate TIE (Times-interest-earned ratio) and ROE (Return on Owner's Equity) **AP M7.1.2**
- FA 7.10.3** Identify and describe the different classes of stock and explain the rights afforded each class of stock **AP M7.1.3**
- FA 7.10.4** Calculate Return on Common Equity **AP M7.1.4**
- FA 7.10.5** Describe the difference between cash dividends, stock dividends and stock splits, and the impact on the financial statements **AP M7.1.5**
- FA 7.10.6** Allocate partner profits and losses **AP M7.1.6**
- FA 7.10.7** Compare and contrast a periodic payment note payable, a lump-sum note payable, and a periodic and lump-sum note payable **AP M7.1.7**
- FA 7.10.8** Calculate the carrying value, interest expense and cash payment for note payable (periodic payment, lump-sum, periodic and lump-sum) transactions **AP M7.1.8**
- FA 7.10.9** Record stock transactions: contributions by owners, corporate distributions (dividends), and the reacquisition of company stock **AP M7.1.9**
- FA 7.10.10** Record transactions for notes payable: issuance and interest expense **AP M7.1.10**
- FA 7.10.11** Record transactions for bonds issued at face value, a premium and a discount **AP M7.1.11**
- FA 7.10.12** Record interest expense for bonds issued at face value, a premium and a discount using the straight-line method and effective-interest method **AP M7.1.12**

**FA 11 Content Standard:** Students will prepare a statement of cash flow using the direct and indirect method. **AP M8.1**

**Performance Expectations**

- FA 7.11.1 Identify and explain the three sections of a statement of cash flows **AP M8.1.1**
- FA 7.11.2 Prepare the operating activities section of a statement of cash flows using the direct and indirect method **AP M8.1.2**
- FA 7.11.3 Prepare the investing activities section of a statement of cash flows **AP M8.1.3**
- FA 7.11.4 Prepare the financing activities section of a statement of cash flows **AP M8.1.4**

**FA 8 Management**

**FA 8.1 Content Standard:** Students analyze the effects of human capital in business.

**Performance Expectations**

- FA 8.1.1 Evaluate the costs and benefits of part-time versus full-time employees
- FA 8.1.2 Assess the impact of employee benefits on financial statements of a business firm
- FA 8.1.3 Critique the costs associated with hiring and training new employees
- FA 8.1.4 Evaluate the costs associated with employee turn-over rate
- FA 8.1.5 Discuss the benefits of fair treatment of employees and severance related costs

**FA 8.2 Content Standard:** Students apply ethical standards in finance.

**Performance Expectations**

- FA 8.2.1 Discuss fiduciary responsibility
- FA 8.2.2 Examine ethical and unethical behavior of various companies
- FA 8.2.3 Create and analyze a financial code of ethics for a company
- FA 8.2.4 Explain the impact of financial ambiguity
- FA 8.2.5 Assess unethical behavior in corporate finance transactions
- FA 8.2.6 Evaluate the benefits of an effective ethics programs in corporate finance
- FA 8.2.7 Describe the Chartered Financial Analysts (CFA) Institute Code of Ethics and Professional Conduct

**FA 8.3 Content Standard:** Students examine social responsibility shown by companies.

**Performance Expectations**

- FA 8.3.1 Identify examples of companies engaging in acts of social responsibility
- FA 8.3.2 Compare and contrast the benefits and costs of social responsibility related to community, environment, and employee safety.
- FA 8.3.3 Discuss the concept of corporate stakeholders

**FA 8.4 Content Standard:** Students evaluate the planning process of companies.

**Performance Expectations**

- FA 8.4.1 Examine possible locations for new business, relocation, and expansion
- FA 8.4.2 Discuss the relevance of infrastructure for business and the impact on planning
- FA 8.4.3 Discuss incentives provided by governmental units to businesses for planning and implementation

**FA 9 Careers**

**FA 9.1 Content Standard:** Students investigate careers in the finance industry.

**Performance Expectations**

- FA 9.1.1** Research various career paths in the finance industry
- FA 9.1.2** Compare the earning power of various careers in the finance industry
- FA 9.1.3** Discuss the importance of networking for establishing careers in finance
- FA 9.1.4** Evaluate the education and experience needed for various careers in the finance industry
- FA 9.1.5** Identify areas within the global economy that offer professional opportunity, including opportunities in financial services
- FA 9.1.6** Describe Chartered Financial Analysts (CFA) responsibilities to the employer, the client and the public

## **FA 10 Communication**

**FA 10.1 Content Standard:** Students develop skills to create and present accurate and effective communication for specific business-related purposes and audiences.

### ***Performance Expectations***

- FA 10.1.1** Use clear and legible handwriting in all written work and communication
- FA 10.1.2** Develop and demonstrate active listening skills
- FA 10.1.3** Develop and use discussion skills to assume leadership and participant roles
- FA 10.1.4** Use research, composition, and oral skills to present information for a variety of situations utilizing appropriate technology
- FA 10.1.5** Identify and apply ways to work cooperatively with peers and authority figures
- FA 10.1.6** Use clear and concise writing skills to describe, explain, and inform various audiences
- FA 10.1.7** Follow and interpret directions, graphs, charts and diagrams found in technical writing
- FA 10.1.8** Use appropriate industry terminology in oral and written communication
- FA 10.1.9** Participate in role play and simulations, demonstrating effective oral, written, and listening communication skills

# **Indiana Academic Standards Integrated into Finance Academy**

## **English/Language Arts**

### **Standard 2**

#### **READING: Comprehension and Analysis of Nonfiction and Informational Text**

- 11.2.3 Verify and clarify facts presented in several types of expository texts by using a variety of consumer, workplace, and public documents.

### **Standard 4**

#### **WRITING: Processes and Features**

- 11.4.1 Discuss ideas for writing with classmates, teachers, and other writers.
- 11.4.2 Demonstrate an understanding of the elements of discourse, such as purpose, speaker, audience, and form, when completing narrative, expository, persuasive, or descriptive writing assignments.
- 11.4.4 Structure ideas and arguments in a sustained and persuasive way and support them with precise and relevant examples.
- 11.4.7 Develop presentations using clear research questions and creative and critical research strategies, such as conducting field studies, interviews, and experiments; researching oral histories; and using Internet sources.
- 11.4.9 Use a computer to integrate databases, pictures and graphics, and spreadsheets into word-processed documents.
- 11.4.10 Review, evaluate, and revise writing for meaning, clarity, achievement of purpose, and mechanics.
- 11.4.11 Edit and proofread one's own writing, as well as that of others, using an editing checklist.
- 11.4.12 Revise text to highlight the individual voice, improve sentence variety and style, and enhance subtlety of meaning and tone in ways that are consistent with the purpose, audience, and form of writing.

### **Standard 5**

#### **WRITING: Applications (Different Types of Writing and Their Characteristics)**

- 11.5.4 Write historical investigation reports that:
- use exposition, narration, description, argumentation, or some combination of rhetorical strategies to support the main argument.
  - analyze several historical records of a single event, examining critical relationships between elements of the topic.
  - explain the perceived reason or reasons for the similarities and differences in historical records with information derived from primary and secondary sources to support or enhance the presentation.
  - include information from all relevant perspectives and take into consideration the validity and reliability of sources.
  - include a formal bibliography.
- 11.5.5 Write job applications and résumés that:
- provide clear and purposeful information and address the intended audience appropriately.
  - use varied levels, patterns, and types of language to achieve intended effects and aid comprehension.
  - modify the tone to fit the purpose and audience.
  - follow the conventional style for that type of document (a résumé or cover letter of application) and use page formats, fonts (typeface), and spacing that contribute to the readability and impact of the document.
- 11.5.6 Use varied and extended vocabulary, appropriate for specific forms and topics.

- 11.5.7 Use precise technical or scientific language when appropriate for topic and audience.
- 11.5.8 Deliver multimedia presentations that:
- combine text, images, and sound and draw information from many sources, including television broadcasts, videos, films, newspapers, magazines, CD-ROMs, the Internet, and electronic media-generated images.
  - select an appropriate medium for each element of the presentation.
  - use the selected media skillfully, editing appropriately, and monitoring for quality.
  - test the audience's response and revise the presentation accordingly.
- 11.5.10 Write or deliver a research report that has been developed using a systematic research process (defines the topic, gathers information, determines credibility, reports findings) and that:
- uses information from a variety of sources (books, technology, multimedia), distinguishes between primary and secondary documents, and documents sources independently by using a consistent format for citations.
  - synthesizes information gathered from a variety of sources, including technology and one's own research, and evaluates information for its relevance to the research questions.
  - demonstrates that information that has been gathered has been summarized, that the topic has been refined through this process, and that conclusions have been drawn from synthesizing information.
  - demonstrates that sources have been evaluated for accuracy, bias, and credibility.
  - incorporates numeric data, charts, tables, and graphs.
  - organizes information by classifying, categorizing, and sequencing, and demonstrates the distinction between one's own ideas from the ideas of others, and includes a bibliography (Works Cited).

## **Standard 6**

### **WRITING: English Language Conventions**

- 11.6.1 Demonstrate control of grammar, diction, paragraph and sentence structure, and an understanding of English usage.
- 11.6.2 Produce writing that shows accurate spelling and correct punctuation and capitalization.

## **Standard 7**

### **LISTENING AND SPEAKING: Skills, Strategies, and Applications**

- 11.7.1 Summarize a speaker's purpose and point of view and ask questions to draw interpretations of the speaker's content and attitude toward the subject.
- 11.7.4 Use logical (causality, appeal to authority), ethical, and emotional appeals that enhance a specific tone and purpose.
- 11.7.6 Use effective and interesting language, including informal expressions for effect, Standard English for clarity, and technical language for specificity.
- 11.7.9 Analyze strategies used by the media to inform, persuade, entertain, and transmit culture (including advertising; perpetuating of stereotypes; and using visual representations, special effects, and language).
- 11.7.10 Analyze the impact of the media on the democratic process (including exerting influence on elections, creating images of leaders, and shaping attitudes) at the local, state, and national levels.
- 11.7.19 Deliver multimedia presentations that:
- combine text, images, and sound by incorporating information from a wide range of media, including films, newspapers, magazines, CD-ROMs, online information, television, videos, and electronic media-generated images.
  - select an appropriate medium for each element of the presentation.

- use the selected media skillfully, editing appropriately and monitoring for quality.
- test the audience's response and revise the presentation accordingly.

## **Standard 2**

### **READING: Comprehension and Analysis of Nonfiction and Informational Text**

- 12.2.3 Verify and clarify facts presented in several types of expository texts by using a variety of public or historical documents, such as government, consumer, or workplace documents, and others.
- 12.2.5 Analyze an author's implicit and explicit assumptions and beliefs about a subject.

## **Standard 4**

### **WRITING: Processes and Features**

- 12.4.1 Engage in conversations with peers and the teacher to plan writing, to evaluate how well writing achieves its purposes, and to explain personal reaction to the task.
- 12.4.2 Demonstrate an understanding of the elements of discourse, such as purpose, speaker, audience, and form, when completing narrative, expository, persuasive, or descriptive writing assignments.
- 12.4.4 Structure ideas and arguments in a sustained and persuasive way and support them with precise and relevant examples.
- 12.4.6 Use language in creative and vivid ways to establish a specific tone.
- 12.4.9 Use technology for all aspects of creating, revising, editing, and publishing.
- 12.4.11 Revise, edit, and proofread one's own writing, as well as that of others, using an editing checklist.
- 12.4.13 Integrate quotations and citations into a written text while maintaining the flow of ideas.

## **Standard 5**

### **WRITING: Applications (Different Types of Writing and Their Characteristics) .**

- 12.5.3 Write reflective compositions that:
- explore the significance of personal experiences, events, conditions, or concerns by using rhetorical strategies, including narration, description, exposition, and persuasion.
  - draw comparisons between specific incidents and broader themes that illustrate the writer's important beliefs or generalizations about life.
  - maintain a balance in describing individual events and relating those incidents to more general and abstract ideas.
- 12.5.5 Write job applications and résumés that:
- provide clear and purposeful information and address the intended audience appropriately.
  - use varied levels, patterns, and types of language to achieve intended effects and aid comprehension.
  - modify the tone to fit the purpose and audience.
  - follow the conventional style for that type of document (a résumé or cover letter of application) and use page formats, fonts (typefaces), and spacing that contribute to the readability and impact of the document.
- 12.5.6 Use varied and extended vocabulary, appropriate for specific forms and topics.
- 12.5.7 Use precise technical or scientific language when appropriate for topic and audience.
- 12.5.8 Deliver multimedia presentations that:
- combine text, images, and sound and draw information from many sources, including television broadcasts, videos, films, newspapers, magazines, CD-ROMs, the Internet, and electronic media-generated images.
  - select an appropriate medium for each element of the presentation.
  - use the selected media skillfully, editing appropriately and monitoring for quality.

- test the audience's response and revise the presentation accordingly.
- 12.5.9 Write academic essays, such as an analytical essay, a persuasive essay, a research report, a summary, an explanation, a description, or a literary analysis that:
- develops a thesis.
  - creates an organizing structure appropriate to purpose, audience, and context.
  - includes accurate information from primary and secondary sources and excludes extraneous information.
  - makes valid inferences.
  - supports judgments with relevant and substantial evidence and well-chosen details.
  - uses technical terms and notations correctly.
  - provides a coherent conclusion
- 12.5.10 Write or deliver a research report that has been developed using a systematic research process (defines the topic, gathers information, determines credibility, reports findings) and that:
- uses information from a variety of sources (books, technology, multimedia), distinguishes between primary and secondary documents, and documents sources independently by using a consistent format for citations.
  - synthesizes information gathered from a variety of sources, including technology and one's own research, and evaluates information for its relevance to the research questions.
  - demonstrates that information that has been gathered has been summarized, that the topic has been refined through this process, and that conclusions have been drawn from synthesizing information.
  - demonstrates that sources have been evaluated for accuracy, bias, and credibility.
  - incorporates numeric data, charts, tables, and graphs.
  - organizes information by classifying, categorizing, and sequencing, and demonstrates the distinction between one's own ideas from the ideas of others, and includes a bibliography (Works Cited).

## **Standard 6**

### **WRITING: English Language Conventions .**

- 12.6.1 Demonstrate control of grammar, diction, and paragraph and sentence structure, as well as an understanding of English usage.
- 12.6.2 Produce writing that shows accurate spelling and correct punctuation and capitalization.

## **Standard 7**

### **LISTENING AND SPEAKING: Skills, Strategies, and Applications**

- 12.7.1 Summarize a speaker's purpose and point of view, discuss, and ask questions to draw interpretations of the speaker's content and attitude toward the subject.
- 12.7.6 Use effective and interesting language, including informal expressions for effect, Standard English for clarity, and technical language for specificity.
- 12.7.17 Deliver oral reports on historical investigations that:
- use exposition, narration, description, persuasion, or some combination of those to support the thesis (the position on the topic).
  - analyze several historical records of a single event, examining each perspective on the event.
  - describe similarities and differences between research sources, using information derived from primary and secondary sources to support the presentation.



- include information on all relevant perspectives and consider the validity (accuracy and truthfulness) and reliability (consistency) of sources.
- 12.7.19 Deliver multimedia presentations that:
- combine text, images, and sound by incorporating information from a wide range of media, including films, newspapers, magazines, CD-ROMs, online information, television, videos, and electronic media-generated images.
  - select an appropriate medium for each element of the presentation.
  - use the selected media skillfully, editing appropriately, and monitoring for quality.
  - test the audience's response and revise the presentation accordingly.

## **Algebra I**

### **Standard 2**

#### **Linear Equations and Inequalities**

- A1.2.2 Solve equations and formulas for a specified variable.
- A1.2.6 Solve word problems that involve linear equations, formulas, and inequalities.

### **Standard 3**

#### **Relations and Functions**

- A1.3.1 Sketch a reasonable graph for a given relationship.
- A1.3.2 Interpret a graph representing a given situation.

### **Standard 9**

#### **Mathematical Reasoning and Problem Solving**

- A1.9.1 Use a variety of problem-solving strategies, such as drawing a diagram, making a chart, guess-and-check, solving a simple problem, writing an equation, and working backwards.
- A1.9.2 Decide whether a solution is reasonable in the context of the original situation.

## **Social Studies**

### **Economics**

#### **Standard 1**

##### **Scarcity and Economic Reasoning**

- E.1.2 Explain how consumers and producers confront the condition of scarcity, by making choices which involve opportunity costs and tradeoffs.
- E.1.4 Describe how people respond predictably to positive and negative incentives.
- E.1.5 Predict how interest rates will act as an incentive for savers and borrowers.
- E.1.11 Formulate a savings or financial investment plan for a future goal.

#### **Standard 2**

##### **Supply and Demand**

- E.2.5 Recognize that consumers ultimately determine what is produced in a market economy (consumer sovereignty).
- E.2.9 Analyze how changes in the price of certain goods, such as gasoline, impact the lives of people in the community.
- E.2.13 Explain how financial markets, such as the stock market, channel funds from savers to investors.

#### **Standard 4**

##### **The Role of Government**

- E.4.4 Explore the ways that tax revenue is used in the community. (Civics and Government)
- E.4.5 Identify taxes paid by students. (Civics and Government)
- E.4.6 Define progressive, proportional, and regressive taxation. (Civics and Government)
- E.4.7 Determine whether different types of taxes (including income, sales, and social security) are progressive, proportional, or regressive. (Civics and Government)

#### **Standard 6**

##### **Money and the Role of Financial Institutions**

- E.6.5 Compare and contrast credit, savings, and investment services available to the consumer from financial institutions.
- E.6.7 Research and monitor financial investments, such as stocks, bonds, and mutual funds.
- E.6.8 Formulate a credit plan for purchasing a major item comparing different interest rates.

#### **Standard 7**

##### **Economic Stabilization**

- E.7.2 Define the tools of fiscal and monetary policy. (Civics and Government)
- E.7.3 Describe the negative impacts of unemployment and unintended inflation on an economy and how individuals and organizations try to protect themselves. (Individuals, Society, and Culture)